

# CHANGE REQUEST COVER SHEET

**Change Request Number:** 10-65

**Date Received:** 5/26/2010

**Title:** Real Estate Guidance

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**Name:** Susan Freericks

**Phone:** 202-267-8374

**Policy OR Guidance:** Guidance

**Section/Text Location Affected:** Real Estate Guidance Sections 1.1.5.1 and 2.2.6

**Summary of Change:** Updating existing guidance.

**Reason for Change:** Need to have current available forms for the Real Estate Contracting Officer (RECO) to use. Updated SFO form and created 4 new templates for ATCT MOAs, Land and Space, and ATCT Operating Agreements for land and space.

**Development, Review, and/or Concurrence:** ALO-200, Logistics Service Area and AGC-500

**Target Audience:** Real Estate Contracting Officer (RECO)

**Potential Links within FAST for the Change:** N/A

**Briefing Planned:** No

**ASAG Responsibilities:** None

**Potential Links within FAST for the Change:** N/A

**Links for New/Modified Forms (or) Documents (LINK 1)** [Updated form 2.6.12 to be provided by separate email for updating Real Estate Template Library](#)

**Links for New/Modified Forms (or) Documents (LINK 2)** [New Forms 1.3.3.1 & 1.3.3.2 ATCT Land Site MOA and Operating Agreement to be provided by separate email for addition to Real Estate Template Library](#)

**Links for New/Modified Forms (or) Documents (LINK 3)** [New Forms 2.6.30 & 2.6.30.1 ATCT Space MOA and Operating Agreement to be provided by separate email.](#)

## SECTIONS EDITED:

Real Estate Guidance :

**Section 2.2.6 : Request for Offers/Solicitation for Offers** [\[Old Content\]](#)[\[New Content\]](#)  
[\[RedLine Content\]](#)

Real Estate Guidance :

**Section 1.1.5.1 : No Cost Land on Airport Memorandum of Agreement (MOA)** [\[Old Content\]](#)[\[New Content\]](#) [\[RedLine Content\]](#)

## SECTIONS EDITED:

### **Section 2.2.6 : Request for Offers/Solicitation for Offers**

**Old Content:** Real Estate Guidance :

#### **Section 2.2.6 : Request for Offers/Solicitation for Offers**

After the market survey is completed, the RECO will send out the Solicitation for Offerors (SFO) including the proposed lease contract and other attachments outlined in the SFO instructions to those offerors whose space meets FAA requirements and whose prices have been determined initially to be fair and reasonable. The RECO **must** use 2.6.10 the Solicitation for Offer form. The SFO will set forth a detailed statement of FAA's space requirements, including any tenant improvement requirements; will set forth pertinent evaluation criteria and the basis for award; will include a schedule for space delivery; will set forth all statutory and regulatory requirements, such as accessibility, life safety, how disputes will be addressed, and labor wage requirements; and will include such additional provisions as are necessary to ensure that the space is acquired in the best interest of FAA. The SFO should be clear and unambiguous.

**New Content:** Real Estate Guidance :

#### **Section 2.2.6 : Request for Offers/Solicitation for Offers**

After the market survey is completed, the RECO will send out the Solicitation for Offerors (SFO) including the proposed lease contract and other attachments outlined in the SFO instructions to those offerors whose space meets FAA requirements and whose prices have been determined initially to be fair and reasonable. The RECO **must** use 2.6.10 the Solicitation for Offer form. The SFO will set forth a detailed statement of FAA's space requirements, including any tenant improvement requirements; will set forth pertinent evaluation criteria and the basis for award; will include a schedule for space delivery; will set forth all statutory and regulatory requirements, such as accessibility, life safety, how disputes will be addressed, and labor wage requirements; and will include such additional provisions as are necessary to ensure that the space is acquired in the best interest of FAA. The SFO should be clear and unambiguous. An SFO is not required for a small lease (under 3,000 square feet). However, a modified version of an SFO for small lease is acceptable for the RECO to use.

**Red Line Content:** Real Estate Guidance :

**Section 2.2.6 : Request for Offers/Solicitation for Offers**

After the market survey is completed, the RECO will send out the Solicitation for Offerors (SFO) including the proposed lease contract and other attachments outlined in the SFO instructions to those offerors whose space meets FAA requirements and whose prices have been determined initially to be fair and reasonable. The RECO **must** use 2.6.10 the Solicitation for Offer form. The SFO will set forth a detailed statement of FAA's space requirements, including any tenant improvement requirements; will set forth pertinent evaluation criteria and the basis for award; will include a schedule for space delivery; will set forth all statutory and regulatory requirements, such as accessibility, life safety, how disputes will be addressed, and labor wage requirements; and will include such additional provisions as are necessary to ensure that the space is acquired in the best interest of FAA. The SFO should be clear and unambiguous. *An SFO is not required for a small lease (under 3,000 square feet). However, a modified version of an SFO for small lease is acceptable for the RECO to use.*

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**Section 1.1.5.1 : No Cost Land on Airport Memorandum of Agreement (MOA)**

**Old Content:** Real Estate Guidance :

**Section 1.1.5.1 : No Cost Land on Airport Memorandum of Agreement (MOA)**

The Memorandum of Agreement template will be used for the acquisition of land on an airport only when the airport sponsor is issued an Airport Improvements Project (AIP) Grant (reference [AMS Policy Section 4.2.3.2, Requirements](#)). As defined in the AIP Grant Assurance 28, "the airport sponsor is to provide land without cost to the Federal Government for the purpose of any air traffic control or air navigation activity." Although a large majority of airports have received AIP Grant funds, some airports have not. The Real Estate Contracting Officer (RECO) can obtain a list of airports that have received AIP grants through the FAA Regional Airport Division, AXX-600.

**GENERAL INFORMATION:**

It is recommended that the MOA term be for the greatest number of years (life expectancy) of a FAA facility (as this is a no-cost agreement). Although the grant obligates the airport sponsor to give FAA 20 years of land use at no cost, the airport sponsor, most of the time, continues to get AIP grants that extend the 20-year period for no cost from the date of the last signed AIP grant.

Millions of dollars in grant funds will have to be paid back by the airport sponsor if they do not give FAA land use or try to remove FAA facilities from their airports, because the airport sponsor has agreed to Grant Assurance 28.

As mentioned earlier, the RECO must use the MOA for all new no-cost land agreements on Airports where AIP Grants are in place.

Further, replacing expired/expiring on-airport no cost land leases will phase in the MOA. Starting no later than the beginning of FY2006, MOAs will replace, at a minimum, 15% of the agency-wide total number of no cost on airport land leases that will have expired by September 30, 2010. By the end of FY2010 will convert 75% of the total expired/expiring leases to an MOA.

The MOA metrics can be tracked by reviewing data in REMS. Baseline numbers have been established for expiring leases as of 2/1/2005. The number of remaining expired/expiring leases will be compared to the 2005 baseline. This will show the percent of completion.

At the end of fiscal year 2006, the process of converting 15% of the expired/expiring no cost land leases will be evaluated to determine the efficiency of the MOA and will make any adjustments to the process as necessary.

If there is a lengthy list of leases being terminated and superseded by the MOA, the RECO needs to reference an attachment that lists all the leases being superseded.

There is an exception to using the MOA on an airport that received an AIP Grant. If there is a provisional agreement attached to an expiring lease, for example, an Air Traffic Control Tower, the RECO is to use the AMS lease for On-Airport along with the special agreement.

If facilities need to be added to or deleted from the MOA, the RECO will modify the contract by deleting the old "list of Facilities" and replacing it with a revised list ensuring the new date change is made on the "List of Facilities." A notice will be sent to the Airport Sponsor and the RECO will retain the latest copy in the acquisition file.

If the RECO needs to change or add clauses to this agreement, they can work with their Regional Counsel to effect any changes on a case-by-case basis. The changes worked with the Regional Counsel should not become a standard for the region but an exception for that case. Any permanent changes that are found necessary to the standard business practice for the regions need to be worked in conjunction with the headquarters policy section, headquarters legal and the other regions.

#### THE MOA PROCESS:

Acquire the new contract number from the PRISM system.

Use the MOA Template for the initial document to be sent to the Airport Manager. If unsure which clauses are mandatory and required, look up information on the Lease Land Matrix.

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The RECO should explain as part of the initial discussion with the Airport Manager or the Airport Manager representative the purpose and benefits of the MOA. The MOA is less labor intensive, easier to administer, sign, and provides potential cost savings for both the FAA and the airport sponsor.

The list of facilities must be made a part of the MOA agreement. The attached “List of Facilities” is a sample table used to validate facilities, their GSA number and the associated runway. If the facility is not associated with a runway the term “support” is listed in the R/W column. It is recommended that if a clear zone radius and location(s) is not on the ALP, then the facilities clear zone criteria will be noted at the bottom of the attached list of facilities by reference to the appropriate FAA citing criteria order, i.e., ILS clear zone is in the current FAA Order 6750.16C, Citing Criteria for Instrument Landing Systems. The Operations and/or Field and Equipment (F&E) Engineers can help the RECO in determining what is the latest citing criteria order. Other options are the most recent ALP depiction referenced or if required, a drawing showing the location and size provided by the engineer.

If additional facilities are required on the airport, adding the new facilities to the attachment entitled “List of Facilities” can modify the MOA. A copy will be sent to the airport sponsor and a copy retained in the acquisition file.

The RECO should ask the local SSC or on-site technician to review the Airport Layout Plan (ALP) and the List of Facilities to verify both the accuracy of the list and location of the facilities. Also the RECO should contact the Airport Manager or their representative and request that they verify the facilities as well. If there is a discrepancy between the lists given by the SSC or the Airport Manager, the RECO will research and resolve the issue and notify the appropriate parties. Highlight the FAA facilities on the ALP before putting the drawing in the contract file on the documentation side for informational purposes. The most recent ALP is part of the MOA only by reference, because it allows the ALP to change as new ALP updates occur. This reduces the amount of mandatory modifications and takes care of the situations in which FAA Real Estate has not been notified when changes occurred on the ALP drawing. It is recommended that Regional Real Estate work with their Regional Airports Division to be notified of new ALP updates when FAA Airports Division receives them.

The policy of the FAA is not to restore. All exceptions to this issue shall be worked on a case-by-case basis in consultation with regional counsel and headquarters legal. The MOA can remain silent and not have any reference to restoration or non-restoration if the airport sponsor will agree.

Once executed, provide copies of the MOA to the airport sponsor. Input the MOA in the Real Estate Management System (REMS). Further the RECO should (1) respond to any concerns, (2) finalize document, (3) document contract file and (4) make distribution.

**New Content:** Real Estate Guidance :

**Section 1.1.5.1 : No Cost Land on Airport Memorandum of Agreement (MOA)**

The MOA template **must** be used for the acquisition of land on an airport only when the airport sponsor is issued an Airport Improvements Project (AIP) Grant (reference [AMS Policy Section 4.2.3.2, Requirements](#)). As defined in the AIP Grant Assurance 28, the airport sponsor is to provide land without cost to the Federal Government for the purpose of any air traffic control or air navigation activity. Although a large majority of airports have received AIP Grant funds, some airports have not. The Real Estate Contracting Officer (RECO) can obtain a list of airports that have received AIP grants through the FAA Regional Airport Division, AXX-600.

#### GENERAL INFORMATION:

It is recommended that the MOA term be for the greatest number of years (life expectancy) of a FAA facility (as this is a no-cost agreement). Although the grant obligates the airport sponsor to give FAA 20 years of land use at no cost, the airport sponsor, most of the time, continues to get AIP grants that extend the 20-year period for no cost from the date of the last signed AIP grant. Millions of dollars in grant funds will have to be paid back by the airport sponsor if they do not give FAA land use or try to remove FAA facilities from their airports, because the airport sponsor has agreed to Grant Assurance 28.

As mentioned earlier, the RECO **must** use the MOA for all new no-cost land agreements on Airports where AIP Grants are in place. If there is a lengthy list of leases being terminated and superseded by the MOA, the RECO needs to reference an attachment that lists all the leases being superseded. There is an exception to using the MOA on an airport that received an AIP Grant. If there is a provisional agreement attached to an expiring lease, for example, an Air Traffic Control Tower (ATCT), the RECO **must** use the ATCT MOA with the Operating Agreement for Tower (under the land section of the real estate template library).

If facilities need to be added to or deleted from the MOA, the RECO will modify the contract agreement by deleting the old List of Facilities and replacing it with a revised list ensuring the new date change is made on the List of Facilities. A written notice will be sent to the Airport Sponsor and the RECO will retain the latest copy in the acquisition file.

If the RECO needs to change or add clauses to this agreement, they can work with their Regional Counsel to effect any changes on a case-by-case basis. The changes worked with the Regional Counsel should not become a standard for the region but an exception for that case. Any permanent changes that are found necessary to the standard business practice for the regions need to be worked in conjunction with ALO-200 and AGC-500.

#### THE MOA PROCESS:

1. The RECO must acquire the new contract number from the PRISM system.
2. The RECO will send out the MOA Template to the Airport Manager. If unsure which clauses are mandatory and required, look up information on the Lease Land Matrix.
3. The RECO should explain as part of the initial discussion with the Airport Manager or the Airport Manager representative the purpose and benefits of the MOA. The MOA is less labor intensive, easier to administer, sign, and provides potential cost savings for both the FAA and the airport sponsor.

4. The list of facilities must be made a part of the MOA agreement. The attached List of Facilities is a sample table used to validate facilities, their GSA number and the associated runway. If the facility is not associated with a runway the term, support, is listed in the R/W column. It is recommended that if a clear zone radius and location(s) is not on the ALP, then the facilities clear zone criteria will be noted at the bottom of the attached list of facilities by reference to the appropriate FAA siting criteria order, i.e., ILS clear zone is in the current FAA Order 6750.16C, Siting Criteria for Instrument Landing Systems. The Operations and/or Field and Equipment (F&E) Engineers can help the RECO in determining what is the latest siting criteria order. Other options are the most recent ALP depiction referenced or if required, a drawing showing the location and size provided by the engineer.
5. If additional facilities are required on the airport, adding the new facilities to the attachment entitled List of Facilities can modify the MOA. A copy will be sent to the airport sponsor and a copy retained in the acquisition file.
6. The RECO should ask the local Service Support Center (SSC) or on-site technician to review the Airport Layout Plan (ALP) and the List of Facilities to verify both the accuracy of the list and location of the facilities. Also the RECO should contact the Airport Manager or their representative and request that they verify the facilities as well. If there is a discrepancy between the lists given by the SSC or the Airport Manager, the RECO will notify the appropriate parties and work on a solution with the SSC.
7. Highlight the FAA facilities on the ALP before putting the drawing in the contract file on the documentation side for informational purposes. The most recent ALP is part of the MOA only by reference, because it allows the ALP to change as new ALP updates occur. This reduces the amount of mandatory modifications and takes care of the situations in which FAA Real Estate has not been notified when changes occurred on the ALP drawing. It is recommended that Logistics Service Area Real Estate office work with their Regional Airports Division to be notified of new ALP updates when FAA Airports Division receives them.
8. The policy of the FAA is not to restore. However, Restoration Clause - Alternative A may be used on a case by case basis when non-restoration is not feasible or appropriate. If the RECO is using this alternate restoration clause, they must get the line of business to provide written concurrence on use of this alternate clause. Another alternate is the MOA can remain silent and not have any reference to restoration or non-restoration if the airport sponsor will agree.
9. Once executed, the RECO must provide copies of the MOA to the airport sponsor; input the MOA in the Real Estate Management System (REMS); and appropriately document the real estate file.

**Red Line Content: Real Estate Guidance :**

**Section 1.1.5.1 : No Cost Land on Airport Memorandum of Agreement (MOA)**

The ~~Memorandum of Agreement~~**MOA** template ~~will~~**must** be used for the acquisition of land on an airport only when the airport sponsor is issued an Airport Improvements Project (AIP) Grant (reference [AMS Policy Section 4.2.3.2, Requirements](#)). As defined in the AIP Grant Assurance 28, “the airport sponsor is to provide land without cost to the Federal Government for the purpose of any air traffic control or air navigation activity.”<sup>22</sup> -Although a large majority of

airports have received AIP Grant funds, some airports have not. The Real Estate Contracting Officer (RECO) can obtain a list of airports that have received AIP grants through the FAA Regional Airport Division, AXX-600.

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If facilities need to be added to or deleted from the MOA, the RECO will modify the contract agreement by deleting the old ~~“list List~~ of Facilities” and replacing it with a revised list ensuring the new date change is made on the ~~“List of Facilities. &#8221160;~~ A written notice will be sent to the Airport Sponsor and the RECO will retain the latest copy in the acquisition file.

If the RECO needs to change or add clauses to this agreement, they can work with their Regional Counsel to effect any changes on a case-by-case basis. The changes worked with the Regional Counsel should not become a standard for the region but an exception for that case. Any permanent changes that are found necessary to the standard business practice for the regions need to be worked in conjunction with ~~the headquarters policy section, headquarters legal~~ ALO-200 and ~~the other regions~~ AGC-500.

#### THE MOA PROCESS:



## Acquire

1. **The RECO must acquire** the new contract number from the PRISM system.

## Use

2. ~~The the MOA Template for~~**RECO will send out** the ~~initial document to be sent~~ **MOA Template** to the Airport Manager. If unsure which clauses are mandatory and required, look up information on the Lease Land Matrix.
3. The RECO should explain as part of the initial discussion with the Airport Manager or the Airport Manager representative the purpose and benefits of the MOA. The MOA is less labor intensive, easier to administer, sign, and provides potential cost savings for both the FAA and the airport sponsor.-
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5. If additional facilities are required on the airport, adding the new facilities to the attachment entitled “List of Facilities” can modify the MOA. A copy will be sent to the airport sponsor and a copy retained in the acquisition file.
6. The RECO should ask the local **Service Support Center (SSC)** or on-site technician to review the Airport Layout Plan (ALP) and the List of Facilities to verify both the accuracy of the list and location of the facilities. Also the RECO should contact the Airport Manager or their representative and request that they verify the facilities as well. If there is a discrepancy between the lists given by the SSC or the Airport Manager, the RECO will **notify the appropriate research parties** and ~~resolve work the issue and~~ **notify on a solution with** the ~~appropriate parties~~**SSC**.-
7. Highlight the FAA facilities on the ALP before putting the drawing in the contract file on the documentation side for informational purposes. The most recent ALP is part of the MOA only by reference, because it allows the ALP to change as new ALP updates occur. This reduces the amount of mandatory modifications and takes care of the situations in which FAA Real Estate has not been notified when changes occurred on the ALP drawing. It is recommended that **Regional Logistics Service Area** Real Estate **office** work with their Regional Airports Division to be notified of new ALP updates when FAA Airports Division receives them.
8. The policy of the FAA is not to restore. ~~All exceptions~~ **However, Restoration to this issue Clause - Alternative shallA may be worked used** on a case-by-case basis ~~in when consultation non-restoration with regional counsel is not feasible and or appropriate. If the RECO is using this alternate restoration clause, they must get the line of~~

*business to provide written concurrence on use of this* ~~headquarters legal~~ *alternate clause*. ~~The~~ *Another alternate is the* MOA can remain silent and not have any reference to restoration or non-restoration if the airport sponsor will agree.

9. Once executed, *the RECO must* provide copies of the MOA to the airport sponsor; ~~Input~~ *input* the MOA in the Real Estate Management System (REMS); ~~Further the RECO should (1) respond to any concerns, (2)~~ *and finalize appropriately* document; ~~(3) the document contract~~ *real estate* file ~~and (4) make distribution.~~
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